

**IC 28-1-2**

Chapter 2. Powers and Duties of the Department

**IC 28-1-2-1 Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-2**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-3**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-4**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-5**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-6**

**Prudent conduct of business**

Sec. 6. Every financial institution to which this article is applicable shall conduct and transact its business in a safe and prudent manner; shall maintain such institution in a safe and solvent condition; and shall establish and maintain safe and sound methods for the conduct of such financial institution and its business and prudential affairs.

*(Formerly: Acts 1933, c.40, s.9; Acts 1971, P.L.394, SEC.6.)*

**IC 28-1-2-7**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-8**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-9**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-10**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-11**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-12**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-13**

**Repealed**

*(Repealed by Acts 1971, P.L.394, SEC.31.)*

**IC 28-1-2-14**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-15**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-16**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-17**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-18**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-19**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-20**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-21**

**Repealed**

*(Repealed by Acts 1979, P.L.17, SEC.55.)*

**IC 28-1-2-22**

**Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

**IC 28-1-2-23**

**Acquisition of control of financial institution; application;  
approval; report of change in stock ownership**

Sec. 23. (a) A corporation or an individual acting directly, indirectly, or through or in concert with one (1) or more other corporations or individuals may not acquire control of any bank, trust company, stock savings bank, holding company, corporate fiduciary, or industrial loan and investment company unless the department has received an application for change in control by which the department is given one hundred twenty (120) days prior written notice of the proposed change in control and within that time the department has issued a notice approving the proposed change in control. The application shall contain the name and address of the corporation, individual, or individuals, who propose to acquire control.

(b) The period for approval under subsection (a) may be extended:

(1) in the discretion of the director for an additional thirty (30) days; and

(2) not to exceed two (2) additional times for not more than forty-five (45) days each time if:

(A) the department determines that the corporation, individual, or individuals, who propose to acquire control have not submitted substantial evidence of the qualifications described in subsection (c);

(B) the department determines that any material information submitted is substantially inaccurate; or

(C) the department has been unable to complete the investigation of the corporation, individual, or individuals, who propose to acquire control because of any delay caused by or the inadequate cooperation of the corporation, individual, or individuals.

(c) The department shall issue a notice approving the application only after it has become satisfied that both of the following apply:

(1) The corporation, individual, or individuals who propose to acquire control are qualified by competence, experience, character, and financial responsibility to control and operate the bank, trust company, stock savings bank, bank holding company, corporate fiduciary, or industrial loan and investment company in a legal and proper manner.

(2) The interests of the stockholders, depositors, and creditors of the bank, trust company, stock savings bank, bank holding company, corporate fiduciary, or industrial loan and investment company and the interests of the public generally will not be jeopardized by the proposed change in control.

(d) As used in this section, "holding company" means any company (as defined in IC 28-2-15-5 before July 1, 1992, and as defined in IC 28-2-16-5 beginning July 1, 1992) that directly or indirectly controls one (1) or more state chartered financial institutions.

(e) As used in this section, "control" means the power directly or indirectly to:

(1) direct the management or policies of a bank, a trust company, a holding company, a corporate fiduciary, or an

industrial loan and investment company; or

(2) vote at least twenty-five percent (25%) of any class of voting securities of a bank, a trust company, a holding company, a corporate fiduciary, or an industrial loan and investment company.

(f) The president or other chief executive officer of a financial institution or holding company shall report to the director of the department any transfer or sale of shares of stock of the financial institution or holding company that results in direct or indirect ownership by a stockholder or an affiliated group of stockholders of at least ten percent (10%) of the outstanding stock of the financial institution or holding company. The report required by this section must be made not later than ten (10) days after the transfer of the shares of stock on the books of the financial institution or holding company.

*(Formerly: Acts 1933, c.40, s.25a; Acts 1965, c.356, s.20; Acts 1971, P.L.394, SEC.19.) As amended by P.L.164-1988, SEC.1; P.L.3-1990, SEC.99; P.L.33-1991, SEC.4; P.L.42-1993, SEC.21; P.L.122-1994, SEC.40; P.L.262-1995, SEC.2; P.L.134-2001, SEC.6; P.L.258-2003, SEC.4.*

#### **IC 28-1-2-23.5**

##### **Acquisition of control of stock savings banks**

Sec. 23.5. This title does not prohibit the acquisition of control of one (1) or more stock savings banks by a bank holding company, a corporation, an individual, or individuals acting in concert with one (1) or more individuals if the acquisition is in compliance with section 23 of this chapter.

*As added by P.L.42-1993, SEC.22.*

#### **IC 28-1-2-24**

##### **Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

#### **IC 28-1-2-25**

##### **Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

#### **IC 28-1-2-26**

##### **Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

#### **IC 28-1-2-27**

##### **Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

#### **IC 28-1-2-28**

##### **Repealed**

*(Repealed by P.L.42-1993, SEC.103.)*

**IC 28-1-2-29****Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-30****Confidential information; disclosure prohibited**

Sec. 30. Except as otherwise provided, a member of the department or the director or deputy, assistant, or any other person having access to any such information may not disclose to any person, other than officially to the department, by the report made to it, or to the board of directors, partners, or owners, or in compliance with the order of a court, the names of the depositors or shareholders in any financial institution, or the amount of money on deposit therein at any time in favor of any depositor, or any other information concerning the affairs of any such financial institution. *(Formerly: Acts 1933, c.40, s.32; Acts 1937, c.33, s.2; Acts 1939, c.102, s.1; Acts 1945, c.348, s.21; Acts 1967, c.260, s.4; Acts 1971, P.L.394, SEC.14.) As amended by Acts 1978, P.L.2, SEC.2804; P.L.17-1984, SEC.8; P.L.33-1991, SEC.8.*

**IC 28-1-2-31****Acceptance of examination by federal authority**

Sec. 31. The department may, in its discretion, accept any examination of any financial institution made by federal authority in lieu of the examination made under the provisions of this article. *(Formerly: Acts 1933, c.40, s.33.) As amended by P.L.263-1985, SEC.9.*

**IC 28-1-2-32****Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-33****Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-34****Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-35****Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-36****Solicitation of political contributions; violations**

Sec. 36. It is a Class A misdemeanor for a person to knowingly solicit from any officer or employee of the department any money or other property for political assessments or contributions. *(Formerly: Acts 1933, c.40, s.38.) As amended by Acts 1978, P.L.2,*

SEC.2806.

**IC 28-1-2-37**

**Repealed**

*(Repealed by P.L.176-1996, SEC.35.)*

**IC 28-1-2-38**

**Repealed**

*(Repealed by P.L.33-1991, SEC.58.)*

**IC 28-1-2-39**

**Approval to manage public pension custodial account**

Sec. 39. (a) A bank or trust company organized under the laws of any state or the United States may not act in a fiduciary capacity and manage a custodial account under IC 5-10.3-5-5 or IC 21-6.1-3-13 unless the director or the director's designee has approved an application requesting authorization to manage a custodial account.

(b) The director or the director's designee shall:

(1) create an application form; and

(2) issue a written determination of approval or denial not more than thirty (30) days after receiving a completed application.

The period for approval or denial of an application set forth in subdivision (2) may be extended in the discretion of the director or the director's designee for an additional thirty (30) days.

(c) The director or the director's designee shall issue a written determination of approval if the director or the director's designee is satisfied that the bank or trust company organized under the laws of any state or the United States is operated in a safe and sound condition and that the management is experienced and competent.

*As added by P.L.72-2003, SEC.3.*